

Fiscal Services Division

Legislative Services Agency

Fiscal Note

SF 2394 - Manufactured Home Regulation (LSB 5932 SV.1)

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Fiscal Note Version – As Amended and Passed by the Senate

Description

Senate File 2394, as Amended and Passed by the Senate, transfers administration of the manufactured and mobile home retailer and dealer licensing from the Department of Transportation (DOT) to the Department of Public Safety. The Bill establishes an annual \$100 license fee for manufactured and mobile home retailers and an annual \$100 license fee for manufactured and mobile home dealers. The DOT is required to refund any portion of the retailer licensing fee that remains unexpired as of January 1, 2007, to the licensed manufactured or mobile home retailer that paid the fee. The clarifying language regarding utility service connections takes effect upon enactment and the remainder of the Bill takes effect January 1, 2007.

Background

Currently, the manufactured and mobile home retailer license fee is \$70 for a two-year license, \$140 for a four-year license, or \$210 for a six-year license. The current license fee for a manufacturer or distributor of manufactured mobile homes is \$35.

There have been no convictions for violations of Section 322.B, Code of Iowa, since 1998. The proposed language concerning criminal penalties is identical to Section 322.B, Code of Iowa, which is the Code section being replaced. Criminal convictions for business violations are rare, usually resulting in civil penalties.

Assumptions

1. In calendar year 2005, there were 131 mobile and manufactured home dealers and two manufacturers of mobile homes and manufactured homes licensed in Iowa.
2. Of the 131 dealers, 41 were registered mobile and manufactured home dealers and 90 were unregistered mobile and manufactured home dealers, of which all paid \$70 for a two-year license.
3. The two manufacturers paid \$35 for an annual license.
4. The \$100 annual permit for retailers and for manufacturers is a \$65 per license increase per year.
5. The Bill specifies that all fees collected are appropriated to the Department of Public Safety for administration of the licensing and certification programs for manufactured and mobile home installers.

Correctional Impact

It is not anticipated that SF 2394 as Amended will result in a correctional impact.

Fiscal Impact

Senate File 2394 as Amended results in an estimated \$9,300 decrease to the Road Use Tax Fund and an increase of \$26,600 in calendar years 2007 and 2008 to the General Fund, which is appropriated to the Department of Public Safety. The licensing fee change results in an estimated \$17,200 in new net revenue over a two-year period.

Sources

Department of Public Safety

Department of Transportation

Department of Human Rights, Criminal and Juvenile Justice Planning Division (CJJPD)

/s/ Holly M. Lyons

April 4, 2006

The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Fiscal Services Division, Legislative Services Agency to members of the Legislature upon request.
